

# **State of Alaska FY2011 Governor's Operating Budget**

## **Department of Health and Social Services Public Assistance Results Delivery Unit Budget Summary**

## Public Assistance Results Delivery Unit

### Contribution to Department's Mission

Provide self-sufficiency and basic living expenses to Alaskans in need.

### Core Services

- Temporary financial assistance and work supports for needy families with children.
- Financial and medical aid for seniors and disabled Alaskans.
- Food assistance and nutrition education for low-income households.
- Child care subsidies for needy and low-income working families.
- License child care facilities and home care providers to promote safe, quality child care.
- Access to health care by determining eligibility for Medicaid and Denali KidCare.
- Home heating assistance for low income households.
- Administrative accountability and prevention of fraud and program abuse.

### Results at a Glance

(Additional performance information is available on the web at <http://omb.alaska.gov/results>.)

#### END RESULT A: Low income families and individuals become economically self-sufficient.

- In FY09, the Alaska Temporary Assistance Program showed a 5% decline in the number of families receiving benefits.

#### Status of Strategies to Achieve End Result

- The FY09 percent of Alaska Temporary Assistance families who left the program with earnings and did not return for six months was 85% compared to 86% in FY08 and 81% in FY02.
- The percent of Alaska Temporary Assistance families with earnings for FY09 decreased to 31% from the past four year norm.
- In FFY09, 37% of Alaska Temporary Assistance families met the federal participation requirements, exceeding the federal target of 33%.
- In FY09, 90% of emergency food stamp applications were processed within 5 days.
- In FY09, 86% of food stamp initial applications were processed within 30 days with an overall average processing time of 18 days.
- In FY09, 86% of food stamp recertification applications were processed within 30 days.
- In FY09, 65% of Alaska Temporary Assistance applications were processed within 30 days with an overall average processing time of 21 days.
- In FY09, 71% of Medicaid applications were processed within 30 days, a 7 percentage point increase from FY08.
- In FFY08, 92.6% of food stamp benefits were accurate.
- The FFY07 Alaska Temporary Assistance benefit accuracy is 99%, a 5-year high.
- In FFY09, 99% of the Medicaid eligibility determinations were accurate.
- In FY09, 71% of children receiving child care assistance were in licensed care, down from 78% in FY06.

### Key RDU Challenges

- Helping families become self-sufficient despite high energy costs and economic changes which may make that goal more difficult to achieve.
- Accommodating increased applications and caseloads associated with high energy, food, and medical costs and a weakened economy.
- Conserving the state's Temporary Assistance for Needy Families (TANF) program savings generated from the success of welfare reform, which is needed to support and sustain core business needs while maintaining safety net services and promoting self-sufficiency through employment.
- Recruiting challenges as the workforce ages and dedicated employees with years of experience retire. This is particularly acute, because complex program policies can take six months of experience or more to effectively administer, and create high caseloads for journey-level workers in the interim.

- Ensuring federal Supplemental Nutrition Assistance Program (SNAP) payment accuracy targets are met for Alaska's Food Stamp Program and that the division remains competitive in pursuing national performance bonus awards.
- Implementing and sustaining new service delivery strategies, such as Families First!, for working with Temporary Assistance recipients who have significant and substantial barriers to employment.
- Improving performance outcomes despite pressure from growing caseloads, strained staff resources and demands of federal program accountability requirements.
- Implementing goals in the department's Early Childhood Comprehensive Systems Plan to ensure that families with financial needs will have access to quality child care and access to resources to help cover the cost of child care.
- Handling/implementing changes in federal program policies, such as the Medicare Improvements for Patients and Providers Act (MIPPA) and the Children's Health Insurance Program Reauthorization Act (CHIPRA).

## Significant Changes in Results to be Delivered in FY2011

- Exploration and testing of automated solutions to improve service delivery and administrative efficiency, such as use of the Eligibility Information System (EIS) for the Child Care Assistance and Heating Assistance programs, and incorporation of new technologies into procedures (electronic document imaging and graphical user interface software). This is one step in developing system alternatives and cost benefit analysis for replacement of the division's EIS.
- Implementation of new work process improvement strategies (LEAN) and new technologies (electronic document imaging) that improve service delivery and administrative efficiency.
- Implementation of recommendations from Eligibility Technician class study.

## Status Updates for Changes in Results to be Delivered in FY2010

- Establishing the budget for the new state-funded Alaska Heating Assistance Program.

Status Update for FY2010: The operating budget for Alaska Heating Assistance Program is now approximately \$5,000.0.

- Using new work processes and technologies, such as document imaging and graphical user interface software, to improve operating efficiencies.

Status Update for FY2010: Staff participated in a federally-funded state exchange with Idaho and Utah to learn how these states successfully implemented a range of technologies and work process improvements. Electronic document imaging will soon be pilot tested in the division's Southeast Region; the first phase of using graphical user interface software to modernize EIS is nearing completion.

- Conducting a study of the eligibility technician job class to promote hiring and retention of qualified individuals and strengthen the workforce.

Status Update for FY2010: The Eligibility Technician series has been selected as the priority classification study by the Division of Personnel.

- Developing system alternatives and cost benefit analysis for replacement of the division's Eligibility Information System (EIS).

Status Update for FY2010: The use of new technologies, such as document imaging and graphical user interface software, to modernize EIS until a new system is in place are being explored and tested.

- Securing federal funds to begin replacement of the Women, Infants and Children (WIC) component's automated eligibility and information management system (AKWIC).

Status Update for FY2010: Received \$2,487.1 in federal American Recovery and Reinvestment Act funds to transfer a new WIC computer system. Hired a project manager to support the transfer onto the new WIC system.

- Implementing the department's Families First! collaboration with the Divisions of Juvenile Justice, Behavioral

Health and the Office of Children's Services. The Families First! initiative provides comprehensive, integrated services to families in common to the divisions, and will result in better outcomes for families and will produce a range of programmatic, service, and administrative efficiencies.

Status Update for FY2010: Recruited and hired Families First! positions in Nome, Fairbanks, Anchorage, Sitka, Kenai, and Wasilla. Initial community partner meetings have been held to orient partners to the initiative and to conduct community and regional resource mapping.

- Developing a standardized formula for setting child care assistance rates.

Status Update for FY2010: The department completed the federally required survey of Alaska's child care market in FY09 and is moving forward with another child care rate increase for licensed child care providers in FY10 based upon the results of the survey.

- Establishing and testing quality of care standards in centers and homes providing early care and education services.

Status Update for FY2010: The Department of Health and Social Services (DHSS) continues to collaborate with the Department of Education and Early Development (DEED) on developing quality of care standards in centers and homes providing early care and education services. Currently, DEED has proposed regulations out for public comment that would amend health and safety standards for public and private pre-elementary schools and amend program requirements for public pre-elementary schools. A proposal is on the table for DHSS child care licensors to begin conducting health and safety inspections of pre-elementary schools certified by DEED.

- Achieving federally mandated Food Stamp Accuracy Rate.

Status Update for FY2010: Preliminary results for FFY09 indicate that the federally mandated Food Stamp accuracy rate will be achieved and fiscal penalties avoided.

- Preparing the results of the department's first year of Medicaid Payment Error Rate Measurement (PERM) eligibility and payment reviews for submission to Centers for Medicare and Medicaid Services (CMS) in July 2009. Corrective action and continuous improvement initiatives will be implemented based upon these findings.

Status Update for FY2010: PERM corrective action plan will be submitted to CMS in December 2009

- Implementing a new Fraud Control Management system.

Status Update for FY2010: The proposal evaluation committee has completed their work and we are awaiting the contract award for development of the system in FY10.

## Major RDU Accomplishments in 2009

- Successfully implemented the Alaska Heating Assistance Program and awarded over \$2,855.0 in program benefits to 2,047 households with incomes above 150% but below 225% of the federal poverty guidelines.
- Successfully managed an unprecedented 38% increase over the prior year in applications for heating assistance.
- Television, radio and print advertisements and public service announcements were used to inform potential recipients of these programs in 2009. Information was also mailed to public assistance recipients, village councils and senior organizations throughout the state explaining the programs.
- Alaska has been awarded a high performance bonus of \$273,584 by the U.S. Department of Agriculture for the most improved access to the Food Stamp program during FFY08.
- Anchorage pilot project to provide quarterly matches between WIC /Medicaid/Food Stamp clients was successful and resulted in identifying 1,800 clients who were sent outreach materials. The Anchorage caseload subsequently increased by 1,062 clients.
- Restructured the Child Care Resource and Referral (CCR&R) grant to fund a single agency to deliver CCR&R services statewide to facilitate consistency, efficiency, accountability and effectiveness.
- The unit offset the decrease in applicant fraud allegations in FY09 by implementing a special project to focus on Adult Public Assistance (APA) program referrals. The unit investigated 76 APA fraud allegations, an increase of 80%, resulting in an estimated cost avoidance savings of \$58.9 an 88% increase from the prior year.

Contact Information
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**Public Assistance  
RDU Financial Summary by Component**

*All dollars shown in thousands*

	<b>FY2009 Actuals</b>				<b>FY2010 Management Plan</b>				<b>FY2011 Governor</b>			
	<b>General Funds</b>	<b>Federal Funds</b>	<b>Other Funds</b>	<b>Total Funds</b>	<b>General Funds</b>	<b>Federal Funds</b>	<b>Other Funds</b>	<b>Total Funds</b>	<b>General Funds</b>	<b>Federal Funds</b>	<b>Other Funds</b>	<b>Total Funds</b>
<b>Formula Expenditures</b>												
ATAP	16,445.9	6,096.7	1,691.5	24,234.1	14,973.6	8,175.9	2,010.0	25,159.5	14,973.6	8,175.9	2,010.0	25,159.5
Adult Public Assistance	51,682.7	821.2	3,966.2	56,470.1	51,138.4	1,030.0	4,063.0	56,231.4	51,288.4	1,030.0	4,063.0	56,381.4
Child Care Benefits	8,708.2	31,133.2	0.0	39,841.4	9,224.3	43,540.8	0.0	52,765.1	9,224.3	43,081.6	0.0	52,305.9
General Relief Assistance	1,567.9	0.0	0.0	1,567.9	1,555.4	0.0	0.0	1,555.4	1,655.4	0.0	0.0	1,655.4
Tribal Assistance Programs	12,694.2	0.0	538.8	13,233.0	13,960.3	0.0	884.7	14,845.0	13,960.3	0.0	884.7	14,845.0
Senior Benefits Payment Program	18,990.1	0.0	0.0	18,990.1	19,623.5	0.0	0.0	19,623.5	20,473.5	0.0	0.0	20,473.5
PFD Hold Harmless	0.0	0.0	13,927.2	13,927.2	0.0	0.0	13,584.7	13,584.7	0.0	0.0	13,584.7	13,584.7
<b>Non-Formula Expenditures</b>												
Energy Assistance Program	18,859.8	20,600.4	0.0	39,460.2	5,003.6	12,342.6	0.0	17,346.2	5,003.6	12,342.6	0.0	17,346.2
Public Assistance Admin	1,226.4	1,053.8	168.2	2,448.4	1,624.0	2,833.4	448.0	4,905.4	1,600.0	2,372.5	452.3	4,424.8
Public Assistance Field Svcs	16,382.4	16,846.1	610.6	33,839.1	16,808.9	18,544.0	956.5	36,309.4	16,808.9	18,544.0	866.0	36,218.9
Fraud Investigation	791.3	948.4	0.0	1,739.7	812.1	1,026.8	0.0	1,838.9	812.1	1,026.8	0.0	1,838.9
Quality Control	890.4	792.3	0.0	1,682.7	913.7	964.4	0.0	1,878.1	913.7	889.7	0.0	1,803.4
Work Services	2,865.6	10,978.3	0.0	13,843.9	2,873.2	13,167.6	0.0	16,040.8	2,873.2	13,171.7	0.0	16,044.9
Women, Infants and Children	9.7	24,109.9	3,894.7	28,014.3	398.9	24,477.2	4,500.1	29,376.2	398.9	24,660.7	4,505.5	29,565.1
<b>Totals</b>	<b>151,114.6</b>	<b>113,380.3</b>	<b>24,797.2</b>	<b>289,292.1</b>	<b>138,909.9</b>	<b>126,102.7</b>	<b>26,447.0</b>	<b>291,459.6</b>	<b>139,985.9</b>	<b>125,295.5</b>	<b>26,366.2</b>	<b>291,647.6</b>

**Public Assistance  
Summary of RDU Budget Changes by Component  
From FY2010 Management Plan to FY2011 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2010 Management Plan</b>	<b>138,909.9</b>	<b>126,102.7</b>	<b>26,447.0</b>	<b>291,459.6</b>
<b>Adjustments which will continue current level of service:</b>				
-Child Care Benefits	0.0	-3,959.2	0.0	-3,959.2
-Public Assistance Admin	-24.0	-460.9	4.3	-480.6
-Quality Control	0.0	-74.7	0.0	-74.7
-Work Services	0.0	4.1	0.0	4.1
-Women, Infants and Children	0.0	-777.7	5.4	-772.3
<b>Proposed budget decreases:</b>				
-Public Assistance Field Svcs	0.0	0.0	-90.5	-90.5
<b>Proposed budget increases:</b>				
-Adult Public Assistance	150.0	0.0	0.0	150.0
-Child Care Benefits	0.0	3,500.0	0.0	3,500.0
-General Relief Assistance	100.0	0.0	0.0	100.0
-Senior Benefits Payment Program	850.0	0.0	0.0	850.0
-Women, Infants and Children	0.0	961.2	0.0	961.2
<b>FY2011 Governor</b>	<b>139,985.9</b>	<b>125,295.5</b>	<b>26,366.2</b>	<b>291,647.6</b>